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Robert H. Jackson Executive Director-Federal Regulatory

Ex Parte

July 18, 1996

William F. Caton, Acting Secretary Federal Communications Commission 1919 M Street, N.W. Room 222, SC-1170 Washington, D.C. 20554

Re: CC Docket No. 92-237, North American Numbering Plan

Dear Mr. Caton:

Today the following letter was sent by the undersigned to Regina M. Keeney, Kathleen Levitz, Geraldine Matise, Mary De Luca, Liz Nightingale, Kent Nilsson, David Ward and Brad Wimmer of the Common Carrier Bureau. The letter discusses U S WEST Communications and U S WEST Media Group's immediate needs for Carrier Identification Codes. Please include a copy of this letter in the record in these proceedings.

Acknowledgment and date of receipt of this letter are requested. A duplicate letter is attached for this purpose.

Sincerely,

Robert H Jacken.

Attachments

cc: Regina M. Keeney
Kathleen Levitz
Geraldine Matise
Mary De Luca
Liz Nightingale
Kent Nilsson

David Ward Brad Wimmer

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Robert H. Jackson Executive Director-Federal Regulatory

July 18, 1996

Regina M Keeney, Chief Common Carrier Bureau Federal Communications Commission 1919 M Street, N.W., Room 500 Washington, D.C. 20054

Re: CC Docket No. 92-237, North American Numbering Plan

Dear Ms. Keeney:

As an active participant in the many regulatory proceedings now pending before the Commission, U S WEST, Inc., ("U S WEST") appreciates fully the demands placed on you and your staff. Indeed, we commend the tremendous effort expended so far. The Commission is well down the road toward adoption of the rules to implement the Telecommunications Act of 1996.

It is with this background that U S WEST urges the Commission to take prompt action on another important, pending item. This is the proposal to modify the current six-year permissive dialing period for three-digit Carrier Identification Codes ("CICs"). This action would enable the Commission to end the moratorium on assignment of additional CICs to entities already having one or more CICs. The two actions together would eliminate the dialing disparity in favor of incumbent interexchange carriers as contemplated by the Communication Act of 1996 and open the interexchange market to much needed competition.

Specifically, U S WEST, on behalf of its subsidiaries, U S WEST Communications, Inc. ("USWC") and U S WEST Media Group, Inc. ("USWMG"), urges the Commission to take immediate action to end the permissive dialing period January 1, 1997. This action would enable an immediate lifting of the CIC moratorium. U S WEST companies require access to additional CICs to enter the long distance market as permitted by the Telecommunications Act of 1996. U S WEST will enter the long distance market in two significant market areas—both of which will be outside the local serving area of USWC.

USWC, through its subsidiary U S WEST Long Distance ("USWLD"), has imminent business plans to offer long distance services on an out-of-region basis consistent with the new freedoms obtained under the Telecommunications Act of 1996 and the recent Order in CC Docket No. 96-21, Bell Operating Company Out-of-Region Interstate, Interexchange Services. For example, USWLD plans to introduce an 800-calling card product and a pre-paid calling card product in partnership with an interexchange carrier yet this year. In order to meet this goal, USWLD needs a CIC immediately to begin testing. In addition, USWLD plans to offer long distance services in association with

wireless services as is permitted under the new law. USWLD has requested an additional CIC from NANPA, and has been turned down because of the moratorium.

Another market is metropolitan Atlanta. USWMG owns and operates a cable television company, MediaOne, serving 537,000 customers in the greater Atlanta area. In September 1995, MediaOne began a \$250+ million upgrade and rebuild of its cable system. MediaOne will upgrade 14,000 route miles with a hybrid fiber-coax network. This, in turn, allows MediaOne to offer a full range of facilities-based entertainment and communications services to customers. More than 90% of this construction will be complete by December 31, 1997, with the remainder to be complete in early 1998.

MediaOne has installed a Class 5 switch in Cobb County, Georgia, which will enable MediaOne to offer local and long distance telephone services¹ in direct competition with BellSouth and other providers, including AT&T and MCI. We are in the process of finalizing interconnection arrangements with various carriers. Also, MediaOne has consolidated and upgraded its customer service centers and developed a new customer billing system. We are bringing a new Network Operations Center on line, which will provide 7x24x365 network surveillance and maintenance to ensure high quality service to our customers. MediaOne plans to enter the telecommunications market in late 3Q96 or early 4Q96.

These large capital investments and the new jobs that go with them require MediaOne to begin generating additional cash flow as soon as possible. That, in turn, requires MediaOne to offer a full range of services, including intra- and interstate long distance services branded as MediaOne services. This is especially true in a highly competitive market such as Atlanta. As you know, in order to provide long distance services, MediaOne requires a new CIC. We have applied to the North American Numbering Plan Administrator ("NANPA") for a CIC, but have been turned down because of the FCC's moratorium.

U S WEST companies now have two CICs, 0098 and 5123. Of the RBOCs and GTE, the only other company with just two CICs is Southwestern Bell Telephone Company. The rest have at least three. More important, all the leading interexchange carriers have many more CICs than U S WEST. For example, AT&T has seven. MCI has 22. Sprint, excluding its Canadian operations, has seven. LCI has ten and LDDS has 43.

The Commission needs to resolve the issues associated with CICs quickly in order to end the current moratorium. As the Commission is well aware, CICs are a condition precedent to market entry; the moratorium acts as a barrier to entry and preserves the incumbent interexchange carriers' preferential access to essential numbering resources. Entry into new markets is critical to USWC, along with its customers, employees and shareowners. We must have the ability to offer a full range of services to meet customer demands. While we expect to lose customers in the local exchange market due to fair competition, we cannot sit idly by and forfeit customers simply because we cannot offer them the services our competitors can. Similarly, USWC has obligations to its employees and shareowners that require our prompt entry into new markets. This regulatory market entry barrier needs to be removed as soon as possible.

¹ MediaOne has been certified by the Georgia Public Service Commission to provide intrastate services. MediaOne Business Services is today providing Local Transport for interstate carrier traffic.

If you have any questions, please call me. Thank you for your time and interest on this important matter.

Sincerely,

Robert H. Jackson
Executive Director Federal Regulatory

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cc: Mary De Luca Kathleen Levitz Geraldine Matise Kent Nilsson

Liz Nightingale
David Ward
Brad Wimmer